GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2944
ANSWERED ON:13.12.2005
FDI IN TOBACCO INDUSTRY
Mohite Shri Subodh

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to allow FDI in cigarette and Tobacco industry in the country;

(b) if so, the details thereof along with the reasons therefor;

(c) whether Multi National cigarette companies will not adversely affect the public health in the country; and

(d) if so, the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a) to (d): Manufacture of cigarettes requires an Industrial License under Industries (Development & Regulation) Act, 1951. Under the extant policy, FDI in the manufacture of cigarettes and cigars requires prior Government approval.